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SECURITY COUNCIL COMMITTEE ESTABLISHED
BY RESOLUTION 661 (1990) CONCERNING
THE SITUATION BETWEEN IRAQ AND KUWAIT

LETTER DATED 13 JANUARY 1991 FROM THE PERMANENT REPRESENTATIVE
OF SAUDI ARABIA TO THE UNITED NATIONS ADDRESSED TO THE
SECRETARY-GENERAL

It pleases me to refer to your note number SCPC/7/90(3-2) concerning your request to complete the questionnaire according to the request of the Security Council Committee which was established by Security Council resolution 661 (1990). Attached herewith is the response of the Government of the Kingdom of Saudi Arabia for the above-mentioned questionnaire. I will be grateful if you could transmit this information to the Committee established to study the reports relevant to the implementation of the above-mentioned report.

(Signed) Samir S. SHIHABI
Ambassador
Permanent Representative

Annex

FURTHER INFORMATION REQUIRED BY THE SECURITY COUNCIL COMMITTEE ESTABLISHED BY RESOLUTION 661 (1990) SO AS TO ACHIEVE A FULL PICTURE OF THE NATIONAL IMPLEMENTATION OF RESOLUTION 661 (1990)

1. Legislative framework

(a) What is the legislative basis on which your country has undertaken measures to implement Security Council resolution 661 (1990)?

Answer: The measures undertaken by Saudi Arabia to implement Security Council resolution 661 (1990) were based on Council of Ministers decision No. 24 of 29 Muharram A.H. 1411.

(b) Has there been any specific legislation enacted pursuant to Security Council resolution 661 (1990)?

Answer: The above-mentioned decision of the Council of Ministers is an internal legislation which defines in detail the measures it has decided to adopt in order to implement the Security Council resolution. Those measures are as follows:

1. The importation is forbidden of any commodity and products of Iraqi or Kuwaiti origin if such goods and products have been exported from Iraq or Kuwait since Security Council resolution 661 (1990) was issued on 15 Muharram A.H. 1411.

2. It is prohibited to export any goods or products of Saudi origin, or to re-export any goods or products to Iraq or Kuwait. No certificates of origin shall be authenticated with regard to any activities pertaining to export to Iraq or Kuwait.

3. Vehicles carrying any goods or products from Iraq or Kuwait are forbidden to cross Saudi territory (transit) or to cross Saudi territory in the direction of Iraq or Kuwait, irrespective of whether the nationality of such vehicles is Iraqi, Kuwaiti or any other nationality.

4. All banks and exchange dealers working in Saudi Arabia are prohibited from effecting any transactions aimed at following up or facilitating any activity prohibited by the above-mentioned Security Council resolution, whether direct or indirect, including any payments, whether by letters of credit, transfers, deposits or withdrawals in respect of the following:

(a) The import of any commodities or products of Iraqi or Kuwaiti origin or products re-exported from Iraq or Kuwait.

(b) Any other activities which promote or are calculated to promote the export or transit of any commodities or products from Iraq or Kuwait, whether such activities occur inside or outside Iraq or Kuwait.

(c) The transfer of funds to Iraq or Kuwait for such activities and transactions, and payments to any person or body within Iraq or Kuwait.

5. Saudi ports shall refrain from providing any maritime services to ships flying the Iraqi flag or to ships loaded with any commodities or products proceeding from or to Iraqi or Kuwaiti ports, whatever their nationality.

6. The Treaty of Economic and Commercial Cooperation between Saudi Arabia and Iraq, signed on 11 Rabi' II A.H. 1404, shall cease to be effective, and all facilities and exemptions contained in that Treaty shall be suspended, whether with respect to commodities, persons or any other facilities.

7. The Saudi Fund for Development shall cease to make any payments arising from any treaty it may have concluded on behalf of Saudi Arabia with the Iraqi Government.

(c) What types of administrative orders, decrees, etc., has your country passed pursuant to the relevant laws?

Answer: In implementation of the above-mentioned Council of Ministers decision, the following ministerial and administrative decisions have been issued:

1. Two decisions by His Excellency the Minister of Finance and National Economy transmitted to His Excellency the Director-General of the Customs Authority by telegram No. 27/sin/194 of 7 Safar A.H. 1411, and telegram No. 3/sin/201 of 7 Safar A.H. 1411 for the implementation of the Council of Ministers decision and the monitoring of export and re-export movements.

2. Letter No. 27/927 of 8 Safar A.H. 1411 from His Excellency the Minister of Finance and National Economy addressed to His Excellency the Vice-President and delegated member of the Saudi Fund for Development for the application of the Council of Ministers decision and the making of the necessary arrangements to stop any payments arising from any agreements previously concluded by the Fund with the Iraqi Government.

3. A letter transmitted by telegram No. 3/908 of 6 Safar A.H. 1411 from His Excellency the Minister of Finance and National Economy to His Excellency the Governor of Saudi Arabian Monetary Agency for the necessary arrangements to implement the Council of Ministers decision by informing banks, financial institutions and exchange dealers working in Saudi Arabia, as well as branches outside Saudi Arabia, of the contents of the Council of Ministers decision and the need to adhere to it.

4. Circular No. mim/alif/49 of 6 Safar A.H. 1411 from the Saudi Arabian Monetary Agency addressed to all banks working in Saudi Arabia prohibiting the transfer of funds, the granting of letters of credit or withdrawals on such letters, and prohibiting the effecting of any transfers, the issuance of letters of guarantee, the offer of credit or any other form of facilities in favour of any person, body or commercial or industrial enterprise in Iraq or Kuwait or to the Iraqi Government.

5. Circular No. 22/9/3/he/sin of 8 Safar A.H. 1411 from His Excellency the Director-General of the Customs Authority to all customs posts concerning the application of the measures contained in the Council of Ministers decision and the implementation of the above-mentioned Security Council resolution.

Similarly, the following measures have been taken by the Ministry of Defence and Aviation:

1. The refusal to allow any Iraqi vessel, whether tanker or cargo ship, to enter Saudi ports.

2. Increased surveillance of Saudi territorial and economic waters and monitoring of international waters near the Saudi coastline to prevent Iraqi naval ships from approaching and laying mines in such waters.

3. The provision of facilities to the ships of the multinational forces for the use of Saudi ports and territorial waters.

4. Keeping track of the general situation with regard to the location of Iraqi commercial vessels and monitoring their movements in coordination with the American Navy in this regard.

5. The closing of the Saudi land borders with Iraq and the halting of Iraqi commercial and individual traffic into Saudi Arabia.

6. The closing of Saudi airspace to Iraqi aircraft.

7. The closing of the Iraqi oil pipeline to the Red Sea.

2. Control of imports or activities which would promote or are calculated to promote imports or transshipment of goods from Iraq and Kuwait

(a) Which authorities in your country are responsible for implementing the control of imports or activities as required by Security Council resolution 661 (1990)?

Answer: The authority responsible for implementing the control of imports is the Customs Authority. Furthermore, the borders are closed between Saudi Arabia and both Iraq and Kuwait.

(b) What specific measures has your country established to prevent breaches of Security Council resolution 661 (1990) by imports of items or activities covered by it?

Answer: The closing of the borders between Saudi Arabia and both Iraq and Kuwait and the prevention of vehicles from crossing Saudi Arabia either to or from those two countries (transit) has led automatically to the complete halting of imports from Iraq or Kuwait. This was the intent of recommendation No. 1 contained in the report adopted by Council of Ministers decision No. 24 of 29 Muharram A.H. 1411, which provided for "prevention of the import of any commodities or products of Iraqi or Kuwaiti origin", as well as recommendation No. 2 contained in the same

report, which provided for "the prevention of vehicles carrying any commodities or products from Iraq or Kuwait from crossing Saudi territory (transit) or proceeding towards Iraq across Saudi territory, whether the nationality of such vehicles is Iraqi, Kuwaiti or any other nationality.

3. Control of exports or activities which would promote or are calculated to promote sales or supply of products and commodities to Iraq and Kuwait

(a) Which authorities in your country are responsible for implementing the control of exports or activities as required by Security Council resolution 661 (1990)?

Answer: The authority responsible for the control of exports is the Ministry of Commerce, which issues certificates of origin, and the Customs Authority, which monitors and authorizes exports, and which may halt them.

(b) What specific measures has your country established to prevent breaches of Security Council resolution 661 (1990) by exports of items or activities covered by it?

Answer: The Ministry of Commerce has ceased issuing certificates of origin for any Saudi commodities destined for either Iraq or Kuwait, as stipulated by recommendation No. 2 contained in the report adopted by the above-mentioned Council of Ministers decision, which provided for "the prohibition of the export of any commodities or products of Saudi origin or the re-export of any commodities or products to Iraq or Kuwait, and the non-authentication of certificates of origin in respect of any activities regarding exports to Iraq or Kuwait".

4. Control of financial or economic resources

(a) What system of control exists in your country to prevent transfers of financial or economic resources covered by Security Council resolution 661 (1990)?

Answer: The Saudi Arabian Monetary Agency (the Central Bank) has control to prevent the transfer of any funds by means of its authority over the banks through the banking supervision system. In other words, it is authorized to issue orders to the banks to that effect.

(b) What specific measures has your country taken so as to prevent unauthorized movements of funds in contravention of Security Council resolution 661 (1990)?

Answer: There are no unauthorized movements. All movements are effected through the banks, which are committed to implementing the resolution. The Saudi Arabian Monetary Agency monitors their adherence thereto.

5. Enforcement

What types of enforcement (penalties, seizures, forfeitures, etc.) does your country apply so as to prevent breaches of Security Council resolution 661 (1990) by individuals and companies in your country?

(a) What problems has your country confronted in ensuring full national implementation of Security Council resolution 661 (1990)?

Answer: There have been no problems in implementing the above-mentioned Council of Ministers decision regarding the application of the Security Council resolution.

(b) What legislative or other measures has your country taken so as to implement Security Council resolution 661 (1990) with regard to contracts entered into or licences granted before the date of the resolution?

Answer: All activities, contracts and licences signed have been frozen, including the suspension of the Treaty of Economic and Commercial Cooperation concluded between the Saudi Government and Iraq and signed on 11 Rabi' II A.H. 1404 and the suspension of all facilities and exemptions contained therein, in accordance with the report adopted by Council of Ministers decision No. 24 of 29 Muharram A.H. 1411.

(c) What specific measures has your country taken to protect the assets of the legitimate Government of Kuwait and its agencies in accordance with paragraph 9 (a) of Security Council resolution 661 (1990)?

Answer: As is known, the legitimate Government of Kuwait is currently carrying on its activities on Saudi territory. Consequently, all its assets and agencies are protected and those agencies are carrying on their activities under the direct supervision of the legitimate Government of Kuwait.